

STATE FIRE AND TORNADO FUND  
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 29, 2004

	February-04				January-04				December-03				September-03				Current FYTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																				
<i>Structured Growth</i>																				
Los Angeles Capital	456,995	2.3%	2.3%	-0.13%	473,835	2.4%	2.3%	1.68%	465,913	2.4%	2.3%	9.12%	436,535	2.3%	2.3%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	116	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
<b>Total Structured Growth</b>	<b>457,111</b>	<b>2.3%</b>	<b>2.3%</b>	<b>-0.13%</b>	<b>473,835</b>	<b>2.4%</b>	<b>2.3%</b>	<b>1.68%</b>	<b>465,913</b>	<b>2.4%</b>	<b>2.3%</b>	<b>9.12%</b>	<b>436,535</b>	<b>2.3%</b>	<b>2.3%</b>	<b>4.99%</b>	<b>16.33%</b>	<b>-1.88%</b>	<b>-21.24%</b>	<b>-6.07%</b>
Russell 1000 Growth				0.64%				2.04%				10.41%				3.92%	17.83%	2.94%	-21.54%	-5.03%
<i>Structured Value</i>																				
LSV	442,559	2.2%	2.3%	3.25%	482,712	2.4%	2.3%	2.63%	470,608	2.4%	2.3%	15.66%	416,677	2.2%	2.3%	3.75%	27.16%	-2.25%	8.84%	3.73%
Russell 1000 Value				2.14%				1.76%				14.19%				2.06%	21.14%	-1.02%	-0.19%	1.05%
<i>S&amp;P 500 Index</i>																				
State Street	2,103,118	10.5%	10.5%	1.38%	2,147,254	10.8%	10.5%	1.84%	2,108,750	10.7%	10.5%	12.16%	1,922,673	10.2%	10.5%	2.64%	18.84%	0.23%	-11.28%	-1.69%
S&P 500				1.39%				1.84%				12.18%				2.64%	18.89%	0.25%	-11.20%	-1.62%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>3,002,788</b>	<b>15.0%</b>	<b>15.0%</b>	<b>1.44%</b>	<b>3,103,801</b>	<b>15.6%</b>	<b>15.0%</b>	<b>1.93%</b>	<b>3,045,271</b>	<b>15.4%</b>	<b>15.0%</b>	<b>12.20%</b>	<b>2,775,884</b>	<b>14.7%</b>	<b>15.0%</b>	<b>3.15%</b>	<b>19.67%</b>	<b>-0.48%</b>	<b>-9.33%</b>	<b>-1.90%</b>
S&P 500				1.39%				1.84%				12.18%				2.64%	18.89%	0.25%	-11.20%	-1.62%
<b>SMALL CAP DOMESTIC EQUITY</b>																				
<i>Manager-of-Managers</i>																				
SEI	959,100	4.8%	5.0%	0.50%	1,059,526	5.3%	5.0%	4.64%	1,012,326	5.1%	5.0%	14.82%	945,617	5.0%	5.0%	9.48%	32.21%	0.09%	N/A	N/A
Russell 2000 + 200bp				0.2%				4.51%				15.07%				9.60%	33.21%	0.36%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>959,100</b>	<b>4.8%</b>	<b>5.0%</b>	<b>0.50%</b>	<b>1,059,526</b>	<b>5.3%</b>	<b>5.0%</b>	<b>4.64%</b>	<b>1,012,326</b>	<b>5.1%</b>	<b>5.0%</b>	<b>14.82%</b>	<b>945,617</b>	<b>5.0%</b>	<b>5.0%</b>	<b>9.48%</b>	<b>32.21%</b>	<b>0.09%</b>	<b>-3.49%</b>	<b>1.64%</b>
Russell 2000				0.90%				4.34%				14.52%				9.07%	31.51%	-1.63%	-3.30%	0.97%
<b>CONVERTIBLES</b>																				
TCW	2,085,819	10.4%	10.0%	0.70%	2,072,402	10.4%	10.0%	2.23%	2,025,651	10.3%	10.0%	9.98%	1,851,333	9.8%	10.0%	1.85%	15.31%	10.23%	-9.51%	3.90%
First Boston Convertible Index				0.11%				2.01%				8.54%				2.67%	13.80%	15.46%	-3.77%	5.29%
<b>INTERNATIONAL EQUITY</b>																				
<i>Large Cap - Active</i>																				
Capital Guardian	1,653,062	8.2%	8.0%	2.19%	1,607,469	8.1%	8.0%	1.50%	1,586,707	8.0%	8.0%	13.03%	1,508,615	8.0%	8.0%	8.14%	26.79%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				2.35%				1.37%				13.15%				6.58%	25.12%	-11.24%	-15.51%	-5.33%
<i>Small Cap - Value</i>																				
Lazard	217,584	1.1%	1.0%	3.50%	208,864	1.0%	1.0%	2.80%	203,212	1.0%	1.0%	14.50%	204,763	1.1%	1.0%	9.92%	33.91%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				2.90%				4.20%				13.31%				15.95%	40.87%	N/A	N/A	N/A
<i>Small Cap - Growth</i>																				
Vanguard	203,792	1.0%	1.0%	3.52%	227,405	1.1%	1.0%	4.21%	218,051	1.1%	1.0%	14.06%	198,660	1.1%	1.0%	14.95%	41.45%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				2.90%				4.20%				13.31%				15.95%	40.87%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>2,074,438</b>	<b>10.3%</b>	<b>10.0%</b>	<b>2.47%</b>	<b>2,043,739</b>	<b>10.3%</b>	<b>10.0%</b>	<b>1.93%</b>	<b>2,007,970</b>	<b>10.2%</b>	<b>10.0%</b>	<b>13.28%</b>	<b>1,912,038</b>	<b>10.1%</b>	<b>10.0%</b>	<b>8.97%</b>	<b>28.93%</b>	<b>-9.20%</b>	<b>-15.51%</b>	<b>0.27%</b>
MSCI EAFE - 50% Hedged				2.35%				1.37%				13.15%				6.58%	25.12%	-11.24%	-15.51%	-5.33%
<b>DOMESTIC FIXED INCOME</b>																				
<i>Core Bond</i>																				
Western Asset	5,107,485	25.5%	25.0%	1.18%	5,049,329	25.3%	25.0%	0.98%	5,000,902	25.3%	25.0%	1.62%	4,862,313	25.8%	25.0%	-0.16%	3.66%	12.77%	11.23%	8.12%
Lehman Aggregate				1.08%				0.80%				0.32%				-0.14%	2.07%	10.39%	10.07%	7.54%
<i>Index</i>																				
Bank of ND	2,734,709	13.6%	15.0%	1.14%	2,703,742	13.6%	15.0%	0.89%	2,679,829	13.6%	15.0%	0.07%	2,659,877	14.1%	15.0%	-0.46%	1.62%	13.26%	10.87%	7.78%
Lehman Gov/Credit				1.22%				0.91%				-0.03%				-0.50%	1.60%	13.14%	10.82%	7.83%
<i>BBB Average Quality</i>																				
Strong	2,115,895	10.5%	10.0%	1.17%	2,093,635	10.5%	10.0%	1.09%	2,070,045	10.5%	10.0%	1.46%	2,038,313	10.8%	10.0%	0.02%	3.79%	17.91%	N/A	N/A
Lehman US Credit BAA				1.27%				1.13%				1.22%				0.27%	3.95%	18.33%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>9,958,089</b>	<b>49.6%</b>	<b>50.0%</b>	<b>1.17%</b>	<b>9,846,706</b>	<b>49.4%</b>	<b>50.0%</b>	<b>0.98%</b>	<b>9,750,775</b>	<b>49.4%</b>	<b>50.0%</b>	<b>1.15%</b>	<b>9,560,503</b>	<b>50.6%</b>	<b>50.0%</b>	<b>-0.21%</b>	<b>3.11%</b>	<b>13.18%</b>	<b>10.80%</b>	<b>7.81%</b>
Lehman Gov/Credit				1.22%				0.91%				-0.03%				-0.50%	1.60%	13.14%	10.82%	7.83%
<b>CASH EQUIVALENTS</b>																				
Bank of ND	1,982,022	9.9%	10.0%	0.09%	1,811,527	9.1%	10.0%	0.09%	1,909,866	9.7%	10.0%	0.29%	1,834,125	9.7%	10.0%	0.30%	0.77%	1.57%	3.26%	4.15%
90 Day T-Bill				0.07%				0.08%				0.26%				0.25%	0.66%	1.52%	3.33%	4.08%
<b>TOTAL FIRE &amp; TORNADO FUND</b>	<b>20,062,255</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.16%</b>	<b>19,937,700</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.45%</b>	<b>19,751,860</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5.43%</b>	<b>18,879,500</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.07%</b>	<b>10.44%</b>	<b>7.25%</b>	<b>1.67%</b>	<b>4.94%</b>
POLICY TARGET BENCHMARK				1.12%				1.29%				4.65%				1.59%	8.89%	7.25%	2.12%	4.52%

NOTE: Monthly returns and market values are preliminary and subject to change.